

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE TABLE OF CONTENTS		PAGE iv
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

4. PROGRAM REGULATIONS

432.401:	Introduction	4-1
432.402:	Definitions	4-1
432.403:	Eligible Members	4-2
432.404:	Provider Eligibility: In State	4-2
432.405:	Provider Eligibility: Out of State	4-3
(130 CMR 432.406 through 432.410 Reserved)		
432.411:	Payable Services	4-4
432.412:	Nonpayable Services	4-4
432.413:	Nonpayable Circumstances	4-4
432.414:	Service Limitations	4-5
432.415:	Medical Referral Requirements	4-5
432.416:	Comprehensive Evaluation	4-6
432.417:	Prior Authorization	4-7
432.418:	Recordkeeping Requirements	4-8
432.419:	Maximum Allowable Fees	4-8
432.420:	Individual Consideration	4-9

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE TABLE OF CONTENTS		PAGE vii
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

The regulations and instructions governing provider participation in MassHealth are published in the Provider Manual Series. MassHealth publishes a separate manual for each provider type.

Each manual in the series contains administrative regulations, billing regulations, program regulations, service codes and descriptions, billing instructions, and general information. MassHealth's regulations are incorporated into the Code of Massachusetts Regulations (CMR), a collection of regulations promulgated by state agencies within the Commonwealth and by the Secretary of State. Regulations promulgated by MassHealth are assigned Title 130 of the Code. The regulations governing provider participation in MassHealth are assigned Chapters 400 through 499 within Title 130. Pages that contain regulatory material have a CMR chapter number in the banner beneath the subchapter number and title.

Administrative regulations and billing regulations apply to all providers and are contained in 130 CMR Chapter 450.000. These regulations are reproduced as Subchapters 1, 2, and 3 in this and all other provider manuals.

Program regulations cover matters that apply specifically to the type of provider for which the manual was prepared. For speech and hearing centers, those matters are covered in 130 CMR Chapter 413.000, reproduced as Subchapter 4 in the *Therapist Manual*.

Revisions and additions to the manual are made as needed by means of transmittal letters, which provide instructions for making changes by hand ("pen-and-ink" revisions), and by substituting, adding, or removing pages. Some transmittal letters will be directed to all providers; others will be addressed to providers in specific provider types. In this way, a provider will receive all those transmittal letters that affect its manual, but no others.

The Provider Manual Series is intended for the convenience of providers. Neither this nor any other manual can or should contain every federal and state law and regulation that might affect a provider's participation in MassHealth. The provider manuals represent instead MassHealth's effort to give each provider a single convenient source for the essential information providers need in their routine interaction with MassHealth and with MassHealth members.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-1
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

432.401: Introduction

All therapists participating in MassHealth must comply with MassHealth regulations, including but not limited to 130 CMR 432.000 and in 130 CMR 450.000. MassHealth pays only for those therapist services that reduce the member's physical disability.

432.402: Definitions

The following terms used in 130 CMR 432.000 have the meanings given in 130 CMR 432.402 unless the context clearly requires a different meaning. The reimbursability of services defined in 130 CMR 432.000 is not determined by these definitions, but by application of regulations elsewhere in 130 CMR 432.000 and in 130 CMR 450.000.

Adaptive Device — an orthotic self-help device, such as a splint.

Group Therapy — therapy provided to at least one member in a group of not more than six persons.

Maintenance Program — repetitive activities intended to maintain function that can be performed safely and effectively without the skilled assistance of a qualified therapist.

Occupational Therapy — evaluation and treatment of a member in his or her own environment to minimize the debilitation of, improve, or restore impaired physical functions. Such treatment includes improvement of skills for activities of daily living; improvement of sensory motor skills; evaluation and training of upper extremities; evaluation of the need for and training in the use of prostheses; and the design, fabrication, and fitting of adaptive devices.

Office Visit — a therapy visit provided in the therapist's office (whether an individual practice, a group practice, or an association of practitioners). If the therapist has an office at home that is used for treatment of patients, services provided there are office visits.

Out-of-Office Visit — a therapy visit provided in a nursing facility, the member's home, or other out-of-office setting to which the therapist travels from his or her usual place of business.

Physical Therapy — evaluation, treatment, and restoration to normal or optimum functioning levels of neuromuscular, musculoskeletal, cardiovascular, and respiratory systems. Such treatment includes the use of therapeutic exercise, mobilization, functional training, and traction; the physical application of heat, cold, water, radiant energy, or electricity; and the design, fabrication, and fitting of adaptive devices.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-2
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

Speech/language Therapy — evaluation and treatment of speech, language, voice, and fluency disorders. Such treatment includes improvement of receptive and expressive language abilities, articulation, oral motor function, rate, rhythm, and vocal quality.

Therapy Visit – a personal contact with a member provided by a licensed physical, occupational, or speech and language therapist for the purpose of providing a covered service.

432.403: Eligible Members

- (A) (1) MassHealth Members. MassHealth covers therapist services only when provided to eligible MassHealth members, subject to the restrictions and limitations described in the MassHealth regulations. 130 CMR 450.105 specifically states, for each MassHealth coverage type, which services are covered and which members are eligible to receive those services.
- (2) Recipients of the Emergency Aid to the Elderly, Disabled and Children Program. For information on covered services for recipients of the Emergency Aid to the Elderly, Disabled and Children Program, see 130 CMR 450.106.
- (B) For information on verifying member eligibility and coverage type, see 130 CMR 450.107.

432.404: Provider Eligibility: In State

Payment for the services described in 130 CMR 432.000 will be made only to therapists who are participating in MassHealth on the date of service. To participate in MassHealth, a therapist must meet the applicable requirements below.

- (A) Physical Therapist. A physical therapist must be currently licensed by the Massachusetts Division of Registration in Allied Health Professions. If the therapist was registered under the laws of the Commonwealth prior to January 1, 1966, without having graduated from an approved educational program, he or she must have been certified by the proficiency process sponsored by the Social Security Administration's Bureau of Health Insurance on or before December 31, 1977.
- (B) Occupational Therapist. An occupational therapist must be currently licensed by the Massachusetts Division of Registration in Allied Health Professions and be currently registered with the American Occupational Therapy Association.
- (C) Speech/Language Therapist (Speech/Language Pathologist). A speech/language therapist must be currently licensed by the Massachusetts Division of Registration in Speech-Language Pathology and Audiology and either have a Certificate of Clinical Competence (CCC) from the American Speech, Language, and Hearing Association (ASLHA) or have obtained a statement from ASLHA of certification equivalency.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-3
	TRANSMITTAL LETTER THP-21		DATE 02/01/04

(D) Group Practice. A group practice may claim payment under these regulations only if it has a group practice organization identification number and is composed of physical, occupational, or speech/language therapists (or any combination of the three), each of whom has an individual provider number.

432.405: Provider Eligibility: Out of State

An out-of-state therapist who is licensed or registered to practice in his state and who meets the appropriate certification requirements of 130 CMR 432.404 is eligible to participate in MassHealth. MassHealth pays an out-of-state therapist for services only in the following circumstances.

(A) The therapist provides services to an eligible MassHealth member living in a community near the border of Connecticut, New Hampshire, New York, Rhode Island, or Vermont.

(B) The therapist provides services to an eligible MassHealth member who is a foster child or an adopted child placed with a family out of state, or who is a child placed in an out-of-state residential school as the result of a 766 Team evaluation.

(130 CMR 432.406 through 432.410 Reserved)

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-4
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

432.411: Payable Services

MassHealth pays for the following therapist services subject to the conditions and limitations of these regulations:

- (A) individual treatment, including the design, fabrication, and fitting of an adaptive device;
- (B) comprehensive evaluation; and
- (C) group therapy.

432.412: Nonpayable Services

MassHealth does not pay a therapist for any of the following services:

- (A) services provided by any person under the therapist's supervision;
- (B) indirect services such as staff meetings, staff supervision, member screening, and development or use of instructional texts and reusable treatment materials;
- (C) nonmedical services such as vocational, social, and recreational services;
- (D) research or experimental treatment;
- (E) mental health services;
- (F) the design, fabrication, or fitting of an adaptive device provided to a MassHealth member aged 21 or older; and
- (G) performance of a maintenance program. MassHealth pays for designing a maintenance program and instructing the member, member's family, or other persons in its use as part of a regular treatment visit, not as a separate service.

432.413: Nonpayable Circumstances

MassHealth does not pay a therapist for services provided under any of the following circumstances.

- (A) The therapist provided the service in a facility approved by MassHealth and is paid by the facility to provide that service, whether or not the cost of the service is included in MassHealth's rate of payment for that facility.
- (B) The therapist provided the service in a facility that is organized to provide primarily nonmedical services and is paid by the facility to provide the service.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (106 CMR 432.000)		PAGE 4-5
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

(C) The therapist receives compensation from the state, county, or municipality, unless he or she is supplementing his or her income by providing services during off-duty hours.

(D) Under comparable circumstances, the therapist does not customarily bill private patients who do not have health insurance.

432.414: Service Limitations

(A) MassHealth pays a therapist for no more than one individual treatment and one group therapy session per member per day.

(B) MassHealth does not pay for a treatment claimed for the same date of service as a comprehensive evaluation, since the evaluation fee includes payment both for a written report and for any treatment provided at the time of the evaluation.

(C) MassHealth pays a therapist for providing services in a Medicare-certified long-term-care facility only in the following circumstances.

- (1) The member is not covered under Medicare Part A or B.
- (2) The member is covered under Medicare, the facility has submitted the claim to Medicare, and Medicare has denied payment.

432.415: Medical Referral Requirements

(A) MassHealth pays for only those treatments and evaluations for which the therapist has obtained written referral from a licensed physician. The referral must include the following information:

- (1) a complete diagnosis of the member;
- (2) the date of onset of the disability for which therapy is recommended;
- (3) a statement of previous treatment, if any;
- (4) the date of the member's last physical examination;
- (5) the reason for the referral;
- (6) the date of referral; and
- (7) the physician's signature and address.

(B) MassHealth pays for continuing physical or occupational therapy only when the physician's referral is renewed in writing every 60 days.

(C) A referral from a physician does not authorize payment. The therapy prescribed by a therapist pursuant to the comprehensive evaluation described in 130 CMR 432.416 must constitute appropriate and effective treatment, within accepted medical standards, for the member's condition.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (106 CMR 432.000)		PAGE 4-6
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

432.416: Comprehensive Evaluation

A comprehensive evaluation is an in-depth assessment of a member's medical condition, disability, and level of functioning to determine the need for treatment and, when treatment is indicated, to develop a treatment plan. A comprehensive evaluation must include preparation of a written report for the member's medical record that contains at least the following information:

- (A) the member's name and address;
- (B) the name of the referring physician;
- (C) a detailed treatment plan prescribing the type, amount, frequency, and duration of therapy and indicating the diagnosis, anticipated goals, and location where therapy will take place, or the reason treatment is not indicated;
- (D) a description of any conferences with the member, member's family, member's physician, or other interested persons;
- (E) other health care evaluations, as indicated;
- (F) a description of the member's psychosocial and health status that includes:
 - (1) the present effects of the disability on the member and the member's family;
 - (2) a brief history, the date of onset, and any past treatment of the disability;
 - (3) the member's level of functioning, both current and before onset of the disability, if applicable; and
 - (4) any other significant physical or mental disability that may affect therapy;
- (G) for speech/language therapy only:
 - (1) assessments of articulation, stimulability, voice, fluency, and receptive and expressive language;
 - (2) documentation of the member's cognitive functioning; and
 - (3) a description of the member's communication needs and motivation for treatment;
- (H) for physical or occupational therapy only: a description of the member's physical limitations; and
- (I) the therapist's signature and the date of the evaluation.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)	PAGE 4-7
	TRANSMITTAL LETTER THP-21	DATE 02/01/04

432.417: Prior Authorization

(A) Services that Require Prior Authorization. MassHealth requires that the therapist obtain prior authorization as a prerequisite to payment for the following services to eligible MassHealth members:

- (1) more than eight occupational-therapy visits or eight physical-therapy visits, including an evaluation and group-therapy visits for a member in a 12-month period;
- (2) more than 15 speech/language therapy visits, including an evaluation and group-therapy visits for a member in a 12-month period;
- (3) continuing therapy when payment has been discontinued by any other third-party payer, including Medicare;
- (4) a second comprehensive evaluation in a 12-month period for a member whose level of functioning has decreased significantly or whose diagnosis has changed; and
- (5) the design, fabrication, and fitting of an adaptive device that requires more than 60 minutes by a physical or occupational therapist for MassHealth members under age 21.

(B) Submission Requirement. The therapist must submit all prior-authorization requests in accordance with the billing instructions in Subchapter 5 of the *Therapist Manual*. Prior authorization determines only the medical necessity of the authorized service, and does not establish or waive any other prerequisites for payment such as member eligibility or resort to health insurance payment. See 130 CMR 450.303 for additional information about prior authorization.

(C) Notice of Approval or Denial of Prior Authorization.

- (1) Notice of Approval. For all approved prior-authorization requests for therapy services, MassHealth sends written notice to the member and the therapist about the frequency, duration, and intensity of care authorized, and the effective date of authorization.
- (2) Notice of Denial or Modification and Right of Appeal.
 - (a) For all denied or modified prior-authorization requests, MassHealth notifies both the member and the therapist of the denial or modification and the reason. In addition, the member will receive information about the member's right to appeal and the appeal procedure.
 - (b) A member may request a fair hearing from MassHealth if MassHealth denies or modifies a prior-authorization request. The member must request a fair hearing in writing within 30 days after the date of the notice of denial or modification. MassHealth's Board of Hearings will conduct the hearing in accordance with 130 CMR 610.000.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)	PAGE 4-8
	TRANSMITTAL LETTER THP-21	DATE 02/01/04

432.418: Recordkeeping Requirements

Payment for any service listed in 130 CMR 432.000 is conditioned upon its full and complete documentation in the member's medical record. The therapist must keep a record of all services provided to a member for at least four years following the date of service. The therapist is responsible for the complete documentation of services he or she provides, including services provided to members whose records are kept in nursing facilities or adult day health facilities. The record must include the following:

- (A) a licensed physician's written referral for evaluation, referral for treatment, and renewal of referral (if applicable) every 60 days (see 130 CMR 432.415);
- (B) the written comprehensive evaluation report (see 130 CMR 432.416);
- (C) the name, address, and telephone number of the member's primary physician; and
- (D) at least weekly documentation of the following:
 - (1) the date or dates on which therapy was provided;
 - (2) the specific therapeutic procedures and methods used;
 - (3) the member's response to treatment;
 - (4) any changes in the member's condition;
 - (5) the problems encountered or changes in the treatment plan or goals, if any;
 - (6) the location where the service was provided, if different from that in the evaluation report;
 - (7) the amount of time spent in treatment; and
 - (8) the therapist's signature.

432.419: Maximum Allowable Fees

The Massachusetts Division of Health Care Finance and Policy (DHCFP) determines the maximum allowable fees for therapist services. Payment is always subject to the conditions, exclusions, and limitations set forth in 130 CMR 432.000. Payment for a service is the lower of the following:

- (A) the therapist's usual and customary fee; or
- (B) the maximum allowable fee listed in the applicable DHCFP fee schedule.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-9
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

432.420: Individual Consideration

(A) Some services listed in the service codes and descriptions in Subchapter 6 of the *Therapist Manual* are designated "I.C.," an abbreviation for individual consideration. Individual consideration means that a fee could not be established. The rate of payment for an individual consideration service will be determined by MassHealth's professional advisors, based on the therapist's descriptive report of the service provided.

(B) In order to receive payment for an individual consideration service, the therapist must attach to the claim form a detailed report of the service performed and his usual and customary charge for the service. The report must include at least the following information:

- (1) a detailed description of the service provided;
- (2) the diagnosis of the member's disability;
- (3) the name of the referring physician; and
- (4) for an adaptive device requiring more than 60 minutes to design, fabricate, and fit:
 - (a) the amount of time spent constructing the device; and
 - (b) a photocopy of the invoice that shows the actual cost of materials used in constructing the device.

(C) Determination of the appropriate payment for an individual consideration service is made in accordance with the following criteria:

- (1) the time required to provide the service;
- (2) the degree of skill required for the service;
- (3) the severity or complexity of the member's disorder or disability;
- (4) the policies, procedures, and practices of other third-party purchasers of care;
- (5) prevailing professional ethics and accepted practice; and
- (6) such other standards and criteria as may be adopted from time to time by DHCFP or MassHealth.

REGULATORY AUTHORITY

130 CMR 432.000: M.G.L. c. 118E, §§ 7 and 12.

Commonwealth of Massachusetts Division of Medical Assistance Provider Manual Series THERAPIST MANUAL	SUBCHAPTER NUMBER AND TITLE 4 PROGRAM REGULATIONS (130 CMR 432.000)		PAGE 4-10
	TRANSMITTAL LETTER THP-21	DATE 02/01/04	

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